

OREGON SPECIAL DISTRICTS

Statewide, there are approximately 1,000 special districts which have been formed to serve more than 33 unique roles within local and regional communities, including roads, mass transit, soil & water conservation, water control, utilities and ports.

Formation of a special district is covered in ORS 198, however a district may have additional requirements for formation under the relevant enabling statute (for example, Parks & Recreation districts are enabled under ORS 266.) It is possible to create an entirely new type of special district through legislative change.

Based on current law, below are four general steps in forming a special district:

- ❶ **How to Start?** Establish an informal committee to oversee the feasibility and planning for the district. This process requires roughly 12 months and will need to be completed before officially notifying the Department of Revenue and relevant county assessor office(s) of the intention to form a new district. Work with the Special District Association of Oregon and/or an attorney regarding the laws applicable to the type of district. Determine how to fund the formation process. Public notices and public meetings held to determine support for a potential petition.
- ❷ **Boundary?** A special district may be formed from contiguous or noncontiguous territory located in one or more adjoining counties. Exceptions to this exist for specific types of districts. A district may also include territory within a city if the city governing body consents to the formation. Territory within another district performing the same services as the proposed district may not be included in a new district unless the territory is withdrawn, either by a simultaneous withdrawal proceeding or automatically by statute, from the former district. The boundaries of a new district may only include territory that can be reasonably served by the facilities or services of the proposed district.
- ❸ **Formation Procedure?** There are three procedures that may be used to form a special district: 1. The filing of a petition for formation, 2. The consent of all property owners within the area of the proposed district, or 3. Initiation and order of the county board (for districts located entirely within its borders).
- ❹ **Hearings and Election.** Once the petition has been approved by required agencies, the county must hold a hearing within 30 to 50 days. Upon conclusion of the hearing, the county board will further evaluate the petition according to ORS 199.462. Upon county approval, a final hearing will be held, after which the county enacts formation resolution and an election date is scheduled.

OREGON SPECIAL DISTRICTS POWERS & FUNDING MECHANISMS

EXAMPLE General district powers for an Oregon Parks & Recreation Special District:

- To have and use a common seal.
- To sue and be sued in its name.
- To construct, reconstruct, alter, enlarge, operate and maintain grounds, buildings and to acquire by lease, purchase, gift, devise, condemnation proceedings or otherwise such real and personal property and rights of way...
- To make and accept any and all contracts, deeds, leases, releases and documents of any kind...
- To assess, levy and collect taxes to pay the cost of acquiring sites for and constructing, reconstructing, altering, operating and maintaining...
- To employ all necessary agents and assistants, and to pay the same.
- To make and enforce regulations.
- To prohibit any person violating any rule or regulation from thereafter using the facilities of the district for such period as the board may determine.
- To call necessary or proper elections after the formation of the district.
- To enlarge the boundaries of the district as provided by ORS 198.705 to 198.955.
- To establish and collect reasonable charges for the use of the facilities of the district and issue appropriate evidence of the payment of such charges.
- Generally to do and perform any and all acts necessary and proper to the complete exercise and effect of any of its powers or the purposes for which it was formed.